8 July 1959

DARI

- I. Continuing signs of Qasim's growing resolve to limit influence of Iraqi Communists.
 - A. Orders to army and police for rigorous enforcement of government's decision to curtail functions of Communist-infiltrated Popular Resistance Forces and to permit them to carry weapons only during training periods.
 - 3. Retirement of opportunistic, Communist-inclined commander of army's second division.
 - C. Statement by Qasim last Sunday opposing "reconstituted national front" and implying Communist press should stick to truthful reporting. Front is new Communist pressure tactic on government.
 - D. Continuing press attacks on Communist party by news organs of socialist National Democratic party and by two nationalist newspapers which have suddenly been allowed to resume publication
 - E. Nationalists showing belligerence in street slakhes with Communists.
 - F. Amb Jernegan feels these signs warrant conclusion Qasim definitely intends to curb Communists.
- II. This does not mean, however, that tide has turned irrevocably against Communists, who retain an influential position in government ministries and mass organizations.
 - A. Qasim still appears to be seeking only to reduce Communist
 party power to point where Communists become simply one of
 several political influences and groups which he hopes to hold

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3. Communist party might adopt temporary tactic of accommodation, using this time to strengthen organization and discipline for eventual showdown. Party militants, however, might force early counter-attack on Qasim if they feel situation really slipping away from them.

25X1D

C. 25X1C Communists are planning major demonstration in Baghdad on night of 9-10 July. In view of small-scale clashes between Communists and nationalists in Baghdad suburbs during past few days, such a Communist rally would be likely to end in considerable violence and might well test ability of Qasim and army to meet Communist challenge.

- III. Meanwhile Quain government continues to expand ties with and dependence upon Sino-Soviet bloc.
 - A. Further agreements in fields of culture, education, health, and specialized technical assistance.
 - B. USSR has even offered to purchase large share of such minor crops as cotton.
 - C. Soviet military deliveries are continuing at a high rate; at least three additional shiploads of aircraft tanks and other equipment arrived at Basra during June, and additional aid is expected to arrive shortly. This makes 15 shiploads since deliveries began last November.
 - D. USSR is sending Deputy Foreign Minister V.V. Kunnetsov to head a delegation to Iraq for celebration of first anniversary of revolution for which Qasim is planning mammoth demonstration.

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